



Орхусский Центр

Восточно-Казахстанской Области

**Increasing public participation in
environmental decision-making in the
Eastern Kazakhstan region through the EITI
mechanism**

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Eastern Kazakhstan Aarhus Center was created on June 5, 2013

The objectives of the Aarhus Centre:

- 1. The improvement of public access to environmental information, including via Internet.**
- 2. Increased public participation in environmental decision-making in the East Kazakhstan region.**
- 3. Assist in providing access to justice in environmental matters.**

There is a large number of extractive companies in the Eastern Kazakhstan region that affect the environment. There are also difficulties with effective public awareness and public participation in environmental decision-making process.

Therefore, the idea to use EITI was developed to inform the public and to build effective cooperation between government, private sector and public.

The Extractive Industries Transparency Initiative (EITI) is an independent, globally and voluntarily supported standard for transparency improvement in the extractive industries. The idea is to have extractive companies divulge information regarding payments that they make to the governments, so as to enable citizens of resource-rich countries to trace these payments and make their governments accountable for the spending of this revenue.

EITI has been implemented in Kazakhstan since 2005.

Legislation has been put in place to enable a regulatory framework to require subsoil users to meet the terms of the Memorandum of Understanding of the Initiative and provide records on taxes and other payments into the state budget of the country, validated by an audit in accordance with the international standards.

Every year funds are disbursed from the republican budget for the **national EITI reports** to be made by an independent audit company, commissioned by competitive bidding in accordance with the law on public procurement.

Representatives of civil society are actively involved in the development, monitoring and evaluation of this process as well as creating the public debate.

Aarhus Centres may participate in the discussion and propose inclusion of environmental issues in the EITI (in particular through payments and expenditure).

This way the EITI can help citizens exercise their environmental rights in two ways:

- 1. As a source of accurate information;**
- 2. As a tool of building regional interaction in Kazakhstan.**

In 2014 OSCE-supported project “Use of EITI tools to assess the impact of extracting companies on the environment in the Eastern Kazakhstan region” was implemented

The idea of the project was to develop and promote understandable methods of analysis of the national EITI report. It was shown through examples how reporting data could be used for developing solutions to reduce environmental risks arising from the extraction of natural resources.

In the framework of the project, the Eastern Kazakhstan Aarhus Centre conducted three workshops for civil society organizations of the Eastern Kazakhstan region which aimed at raising their awareness on the activities of extracting companies and using this information to influence the environmental decisions.

During the workshops, various stakeholders learned about the basics of analysis of EITI report and how to use its results in the decision-making.

What to do with the information?

- You can take note of it;
- Share it with public;
- Analyse and use it to promote the public interests.

ГОРНОРУДНЫЙ СЕКТОР

239 358 995
в т.ч. по свертке 236 621 875 (98,9%)



Доля запасов основных видов полезных ископаемых Казахстана в мировых запасах составляет по: нефти 1,8 % - 12 место в мире, газу менее 1% - 21 место, углю 4 % - 7 место, урану 19 % - 2 место, железу 6 % - 6 место, марганцу 30 % - 3 место, бокситам - 14 место, хромитам 38% - 1 место, меди 5,5 % - 6 место, свинцу 10,1 % - 3 место, цинку 9,5 % - 4 место и золоту 2,7 % - 14 место.



In 2016 the Eastern Kazakhstan Aarhus Centre implemented a project “Strengthening the public participation in environmental decision-making in Eastern Kazakhstan region through EITI mechanism” which was supported by the OSCE Programme Office in Astana

The purpose of the project was to use Extractive Industries Transparency Initiative to improve the public participation in environmental decision-making process through establishing a multilateral group within a public council of the Eastern Kazakhstan region.

Information on social investments

National reporting provides information on companies' social investments into regions in form of social infrastructure projects (SIP).

In ideal scenario, social investments are supposed to meet the needs of local population as well as contribute to solving the environmental issues.

Eastern Kazakhstan Aarhus Centre carries out the analysis of this compliance in order to propose recommendations to local authorities in ensuring that the public opinion is taken into consideration in the decision-making process.

Social spending items pursuant to licensing and contractual conditions

Companies' primary social spending items broken down by years are as follows:

2013	2014
Transfers through Budgetary Classification Codes (BCC/KBK)	Culture, sport and tourism
Educational events	Healthcare
Community improvement	Housing and utility infrastructure
Other infrastructure spending	Other social spending

These data are particularly interesting because in 2014 budgetary classification code transfers happened to be among the lowest indicators, despite the fact that the government had instructed to improve this component.

Comparing Social Infrastructure Projects (SIP) and relevant issues

SIP in 2014	Relevant issues in Eastern Kazakhstan region
Culture, sport and tourism	Increasing prices for essential goods
Healthcare	Low earnings (low wages, pensions, benefits etc.)
Housing and utility infrastructure	Difficulties finding a decently paid job according to the occupation
Other social spending	Bad road conditions (quality of roadway paving, inadequate cleaning in winter)
Budgetary Classification Codes	Environmental condition, environmental pollution

This comparison is carried out in the framework of the project supported by the OSCE Programme Office in Astana in 2016 and clearly shows that the SIP priorities do not correspond with concerns of the residents of East Kazakhstan region.

It follows, then, that at this juncture there is no regional system that could prioritise social issues in order to assign SIP areas.

EITI's real benefit for the local population

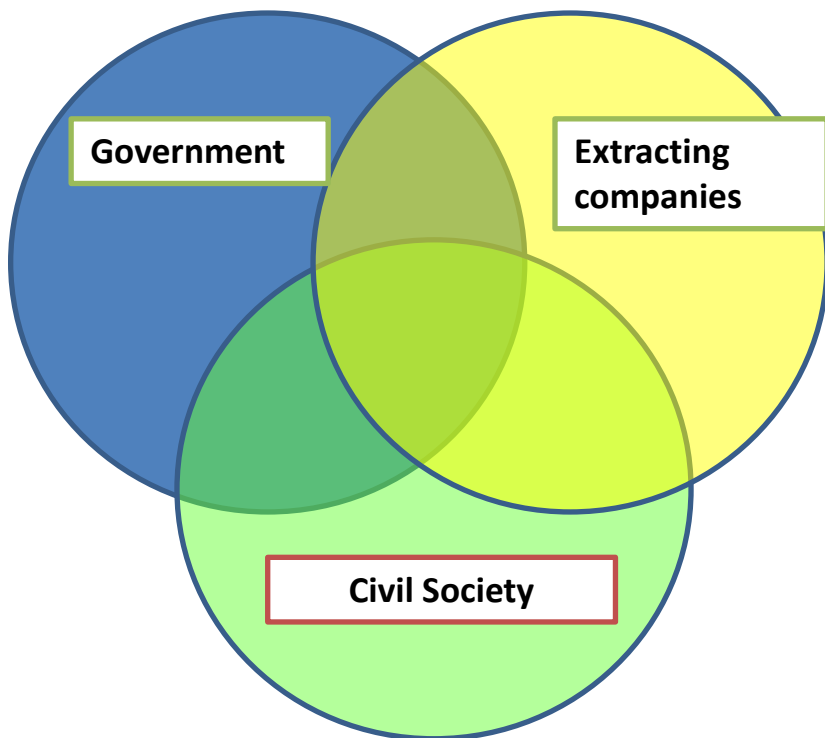
Payments that remain in the region — SIP (“social investments”), as well as environmental fees and fines and their redistribution.

This is why for many years NGOs have been demanding that “social investments” be included in the EITI reporting. The EITI reports released in 2012 contained SIP data. Currently reports contain disaggregated SIP data.

This is the information that can be used to underpin public discussions at the regional level, and raise public awareness of EITI.

Eastern Kazakhstan Aarhus Centre for the last 3 years has been focusing on these issues and organizing the discussions at the regional level with participation of all stakeholders. The comparative analyses on social concerns of the people and SIP priorities were held in 2014 and 2016, which showed that solving environmental problems in the region was not given enough attention and public opinion was not taken into account.

Increasing openness and accountability of public governance, including in the area of extractive industries



Public councils are consultative-advisory and supervisory bodies formed by ministries, central executive bodies that do not form part of the Government of the Republic of Kazakhstan, bodies indirectly subordinate or accountable to the President of the Republic of Kazakhstan, as well as local public governance bodies on the issues within their competence, with the exception of state bodies specified in part two of this clause, jointly with non-profit organisations, citizens.

At the initiative of the Eastern Kazakhstan Aarhus Center, the multilateral working-expert group was established under the Eastern Kazakhstan Region's Public Council with focus on the promotion of the Extractive Industries Transparency Initiative (EITI) and sustainable development issues. The goal of the group is to increase the capacity of the public and enhance their participation in the environmental decision making.

Key recommendations

- There should be a greater use of national EITI reports to increase public awareness and encourage public scrutiny;
- The working-expert multilateral group should conduct an annual monitoring on social investments in the area of improvement and protection of environment in the region; it should also focus its main efforts on analysing the public participation practices in the region on the issues related to environmental matters;
- The public councils should be the main tool in finding a social consensus at the regional level, including in the environmental decision-making;
- Considering a possibility to replicate similar projects in other regions of Kazakhstan.

Thank you for your attention!

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